

LEE, KASAMA

From: FARRELL HARRISON, LORI ANN
Sent: Friday, June 19, 2020 12:52 AM
To: KORTE, JERAD A.
Cc: LEE, KASAMA; PRICE, SUSAN
Subject: FW: CMPA Proposal

Importance: High

Hi Jerad,

Thank you for the offer to assist in helping the City reduce its projected deficit in FY 2020-21 by participating in a 3.5% furlough or monetary equivalent. I have attached the City's response to your revised offer.

As the City is facing a severe shortfall next year, the 3.5% proposal you have offered still falls short of the amount needed for us to achieve a balanced budget. Moreover, it is important that we have consistency amongst our employee groups and that amounts negotiated are as consistent as possible. While the proposals don't need to be identical, and some may have unique features due to individual circumstances and needs, at the core of the proposals is the need for a 5% furlough next year to balance the budget. I am hoping that we will be able to reach an agreement that is mutually satisfactory as soon as possible in order to avoid further reductions in force. The City Council has directed that I take final Side Letter Agreements to the City Council for action this upcoming Tuesday, June 23; hence, time is of the essence.

Thank you for the leadership the Costa Mesa Police Association has shown during these challenging times. I'm extremely proud of our Police Department and the work you do every day. I am confident we will be able to reach a satisfactory agreement.

Here are the terms of the City's revised offer. Please be advised that after discussing the Mobile Command Vehicle with the Chief, I don't think it's feasible to offer a credit to the bargaining group for its potential elimination from the budget. As discussed earlier, it really is an operational issue that should be handled separate and apart from the unit's negotiations. However, I am providing the revised offer to the association for consideration. Please be advised that this offer is beyond my current Council authority and will require their approval and concurrence.

Term:

Four (4) years – July 1, 2020 through June 30, 2024

Year 1:

Each member of the bargaining unit represented by the CMPA will be required to take a total of 104 hours of unpaid furlough during the twenty-six (26) consecutive pay periods beginning the pay period which includes July 1, 2020.

1. The method/manner in which furlough hours are taken are to be determined by mutual agreement of the parties.
2. If the City receives financial relief from the County of Orange, State of California, or the Federal Government for any issues related to the impact of COVID-19 in excess of \$40.5 million for Fiscal Year 2020/2021, employee will receive a one-time bonus equivalent to furlough hours already taken (base rate x furlough hours).

Year 2:

The CMPA has the option to reopen negotiations for purposes of increasing pay and benefits. Any changes to the MOU must be by mutual agreement of the parties. If the CMPA elects to exercise this option, it must notify the City no later than April 1, 2021.

Year 3:

The CMPA has the option to reopen negotiations for the purposes of increasing pay and benefits. There will be a minimum increase of one percent (1.0%) in salary range of each represented classification effective the pay period which includes July 1, 2022. Also effective the pay period which includes July 1, 2020 the City will provide a 1 percent employer paid match to each employee's tax-deferred Health Savings Account. Any other changes to the MOU must be made by mutual agreement of the parties. If the CMPA elects to exercise this option, it must notify the City no later than April 1, 2022.

Year 4:

The CMPA has the option to reopen negotiations for the purposes of increasing pay and benefits. There will be a minimum increase of two percent (2.0%) in salary range of each represented classification effective the pay period which includes July 1, 2022. Any other changes to the MOU must be by mutual agreement of the parties. If the CMPA elects to exercise this option, it must notify the City no later than April 1, 2023.

Vacation Accrual Cap

Elimination of Tier 2 Vacation accrual plan.

Regards,

Lori Ann Farrell Harrison

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PLEASE CONSIDER THE ENVIRONMENT BEFORE PRINTING THIS EMAIL. THANK YOU!